

REPORT NO.

CD NO.

DATE OF INFORMATION Mar. 10-16, 1952

DATE DIST. 13 APR 52

NO. OF PAGES

SUPPLEMENT TO  
REPORT NO.

LANGUAGE

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CPW Report No. 13 - COMMUNIST CHINA

(Mar. 10 - 16, 1952)

## SUMMARY

Actual promotion methods to create interest in the antiwaste, anticorruption, anti-bureaucracy drive were almost nonexistent in Communist Chinese broadcasts to the Chinese people during the week ending Mar. 16, giving further evidence that this campaign, which had dominated radio broadcasts for the past 10 weeks, was gradually grinding to a close. Confession and accusation meetings still were reported, but most of them were semiprivate affairs, attended only by groups from particular offices, or were organized with the idea of wringing confessions from the hundreds of small merchants and businessmen who stubbornly had refused to admit all the petty charges of corruption made against them. Reports of pardon following complete confession, and frequent arrests upon refusal to confess, still were common. Three "big tigers" even were pardoned: Tsinan revealed that a Department of Construction official won a complete pardon after confessing to embezzlement of 365 million yuan; Nanchang told of a merchant who was pardoned and "made a member of the tiger-hunting team" after he confessed to taking 220 million yuan and implicated several others; while Hangchow told of the pardoning of a People's Bank employee who embezzled one billion yuan--when he exposed eight accomplices.

Announcements of wholesale settlement of corruption cases came with mounting frequency, as did promises of lenient treatment for minor offenders who would confess. It was noteworthy that the Austerity Committee in the city, hsiên, or province, the organization set up to direct the anticorruption campaign, was taking direct command in making offers of leniency, or in mass disposal of cases. In Chinchow the Austerity Committee announced the pardoning of 1,000 merchants who had confessed; Huainan reported lenient treatment given 158 industrial and commercial firms; Wuhan announced that the local Austerity Committee had dismissed 6,832 cases; and in Nanchang 5,000 cases were dismissed. Kunning reported that the Austerity Committee had announced it would process directly all further matters concerning the drive.

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Reports of capitalist infiltration into State enterprises, for illicit profit as well as to thwart the purposes of the anticorruption drive, still were frequent. Foochow even reported capitalist infiltration into the People's Court to prevent punishment of corrupt businessmen. More overt resistance to the drive by businessmen seemed less prevalent, although there still were reports of mutual alliances and oppression of employees. The most extreme case was that of a cadre, reported by Nanchang, who burned a department store to prevent exposure of embezzlement. More frequent were complaints at reluctance of cadres and employees to continue the fight, with "reindoctrination" needed often to spur efforts of senior clerks and cadres, and "correct their rightist thought." Several instances of replacement of "complacent cadres" by "activists" were related.

Judging from the frequency of reports, it would seem that the drive finally had caught up with many "big tigers" who previously had escaped. In actual cases of corruption reported, big tigers heavily predominated. At least eight direct charges against individuals of corruption involving from one to 7 billion yuan were monitored. Rice merchants in Canton were accused of making more than 23 billion illegally in 2 years, but the number of merchants involved was not disclosed.

New evidence of concern over real and prospective food shortages was apparent. In Szechwan "spring famine rice loans" amounting to 3 million catties were allotted, while Sian reported that in Kansu food loans had been made to farmers. Charges that dealers had exported rice from Canton and "endangered the livelihood of the people" were broadcast, while the Kwangtung Government announced a scale of rather liberal rewards for apprehension of food smugglers. New reports of cattle disease in the Northeast and in Fukien Province were broadcast, as well as new reports of deaths among draft oxen and of special steps to protect work animals.

Fear of drought also was reflected in numerous broadcasts. Reports of feverish efforts to organize groups in North China, the Northeast, and Hainan Island, to repair irrigation systems, and to get spring farming under way were accompanied by complaints that some peasants were too prone to be "complacent and to rely on fate." Several new announcements of direct orders to cadres to sidetrack the anticorruption drive and devote their efforts to drought prevention and spring farming were monitored, as well as frequent complaints of the "complacency" and "laxity" of the cadres in pushing the spring farming program. This apparent anxiety over the drought and spring farming probably indicated a fear of food shortages, but it might also show failures in the farm system under changes introduced by the Communist regime. Frequent references to need for repairs to dams and irrigation systems, and of failure of farmers to care for their work oxen or drain their wheat fields, might be an indication that Communist cadres have not adequately given the leadership formerly furnished to large groups of peasants by landlords and more prosperous farmers.

Of perhaps particular significance were reports from Yangchow that in two hsien of northern Kiangsu farmers were alarmed over the absence of a market for their pigs, the unmarketable surplus amounting to 180,000 head in one hsien. As hog growers in this area formerly depended almost entirely on the Shanghai market, this situation would indicate a breakdown of the marketing or transportation systems, or a lack of purchasing power on the part of Shanghai residents.

Failure of cadres in Sinkiang to appreciate the value of "advanced techniques" introduced by the People's Liberation Army was suggested by a broadcast expressing impatience with Sinkiang cadres for refusing to admit the possibility of achieving the unit-area yield increases planned for the province. The goal easily could be reached, the broadcast asserted, "if the peasants of various nationalities were properly mobilized." The goal for 1952 in Sinkiang of "organizing 40 percent of the total labor force" would seem to be surprisingly low, regardless of plans for yield increases.

There was a hint that dependents of servicemen might not be too well pleased with the preferential treatment program in a Peking transmission calling for inspection of land owned by these dependents to make sure that it was cultivated adequately, along with an admonishment that "dependents who are physically fit should be encouraged to increase production."

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Signs still were apparent that the anticorruption drive had caused considerable disruption of business and industry, despite frequent claims that production was being increased "to further the drive," and boasts that certain concerns met their quotas and at the same time pursued the tiger hunt. Several broadcasts told of new instances in which large numbers of cadres were removed from the anticorruption drive and given the task of maintaining production. The most revealing report came from Hangchow, which told of a meeting "to oppose suspension of textile production," and of moves "to order all idle textile factories to resume production," with a promise of one factory to "resume production by Mar. 18."

Another interesting development in the industrial field was indicated by a Peking report that the Central Government had ordered a reorganization of productive enterprises handled by small governmental units. In the future all such enterprises are to be centrally controlled, with the hsien forming the smallest unit.

Apparently the drive to place the blame for losses and failures in Korea largely on the Chinese businessman was not spectacularly successful. While new reports of corruption in supplying the Chinese Volunteers, as well as other units of the People's Liberation Army, were broadcast, they were considerably less spectacular and less specific than when the campaign first started, while the prevalence of protests by groups and organizations showed an unmistakable drop.

There was a noticeable step-up of attention to charges of American use of bacteriological warfare, with new claims that American planes dropped infected insects, and even toads and lizards, in at least a dozen areas of the Northeast, with 19 planes engaged in one day in dropping germ-bearing insects on Manchuria. These charges all were limited to the Peking radio. The regional stations devoted their efforts to organizing committees and field units to fight against the American crimes. Regional stations in the Shanghai area and in the Northeast reported enthusiastic response to calls for volunteers to fight bacteriological warfare in the Northeast and in Korea, with claims that teams were organized as far south as Canton. Suspicions that one original aim of the drive was to simplify the problem of enrolling medical and health workers for the Korean front were enhanced by several reports that groups of medical workers from Korea had returned home. Obviously these groups would have to be replaced. However, more attention seemed to be devoted to the fight against plague in the Northeast than to the Korean front, indicating that a serious plague epidemic might be threatening that area, offering a new opportunity to blame the American imperialists for Chinese woes.

Considerable attention still was given to land reform and active resistance to the program, both from landlords and cadres. Reports of resistance to land reform in recent weeks had come only from Kiangsi and Yunnan, but in the past week reports were added from Wuhan of trouble in Hupeh and Honan. Shanghai announced plans in Shantung for a huge collective farm of 600,000 mou, to include areas in three hsien.

Peking reported that in some localities "circulation of newspapers had been reduced," describing this situation as an "expression of political paralysis" and urging that it be remedied. A pneumonia epidemic that had killed at least 300 persons was reported from Kiangsi Province.

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